

**NEXTEL'S AFFORDABLE RATES, IF ANY, DO NOT CONTAIN A
SUFFICIENT LEVEL OF LOCAL USAGE AND IF A SUFFICIENT LEVEL OF
LOCAL USAGE IS PROVIDED, THE RATES ARE UNREASONABLE**

The plans currently offered by Nextel for which it apparently requests federal universal service support are:¹

	Block of Time Rate	Block of Time² Minutes	Rate for³ Minutes Above The Block
National	\$54.99	1000	40 cents
Instant Connect	\$49.99	500	40 cents
	\$69.99	1000	40 cents
Incoming Plans	\$59.99	400	40 cents
	\$69.99	600	40 cents
	\$89.99	800	40 cents
	\$119.99	1100	40 cents
Get Connected	\$40.00	400	40 cents
	\$50.00	600	40 cents
Get Connected More	\$20.00	0	40 cents
	\$45.99	400	40 cents
	\$55.99	600	40 cents
Shared Plans	\$49.99	200	35 cents
	\$59.99	500	35 cents
	\$79.99	700	35 cents
	\$99.99	1000	35 cents
Unlimited	\$199.99	unlimited	-----

Nextel apparently plans to collect universal service support for all of these plans if it is designated as an ETC by the Commission. However, the Commission should consider the following:

- Do the services recover their full costs and thus not require support? It is at odds with the public interest and the Act's requirements to provide support for Nextel's services that clearly recover their costs (likely all of Nextel's rates when the per-minute charges are included, but clearly those block of time rates that equal or

¹ Source of calling plan information for Nextel is Nextel's website www.nextel.com

² Any Time Originating and terminating minutes except for incoming plans where incoming minutes are included.

³ The per minute rate above the block of time is charged for each originating and terminating minute. There is an additional 15 cent charge for each direct connect minute above the block of time.

exceed \$69.99 per month or approximately \$840 annually, an amount that exceeds Nextel's estimated annual cost of \$807 – See Attachment 2 to these Comments).

- Is Nextel's only reasonably priced plan (\$20.00) affordable as a basic universal service plan when all minutes used (except night and weekend and 100 direct connect minutes) cost 40 cents per minute?
- Should Nextel's plans, that include long distance calling beyond the Nextel's local calling area, qualify for support? If the Commission were to allow these plans to qualify for federal universal service support, Nextel would receive support for calling between its defined exchange areas, at odds with the definition of universal services. Nextel appears to want support for an unsupported service. The Joint Board and the FCC have not included expanded calling (or toll calling) as one of the supported universal services, and consequently, all of Nextel's plans that include this feature should not qualify for federal universal support.

None of Nextel's service plans provide a universal service product that includes a reasonable level of originating and terminating minutes at a rate that is reasonable and affordable. Nextel's prices for services range from a low of \$20.00 for no anytime minutes to \$199.99 for unlimited local calling. Additional originating and terminating local minutes for the limited local calling plans costs are between 35 and 40 cents per minute depending on the calling plan. Even though Nextel offers expanded local calling for these rates, none of Nextel's block of time rate levels are reasonable, nor for the lower rate levels is a reasonable level of local minutes offered in the service block.